

# **Education and Workforce Development Cabinet**

## **Kentucky's jobless rate went to 9.7 percent in September 2011**

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### **Contact Information:**

**Editor's Note:** Preliminary September and revised August labor market information are included in this release.

**FRANKFORT, Ky. (Oct. 21, 2011)** — Kentucky's seasonally adjusted preliminary unemployment rate rose to 9.7 percent in September 2011 from 9.5 percent in August 2011, according to the Office of Employment and Training (OET), an agency of the Kentucky Education and Workforce Development Cabinet.

The preliminary September 2011 jobless rate was .5 percentage point below the 10.2 percent rate recorded for the state in September 2010.

The U.S. seasonally adjusted jobless rate stayed at 9.1 percent from August 2011 to September 2011, according to the U.S. Department of Labor (USDOL).

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

"The decline in the civilian labor force in September 2011 was not enough to counterbalance the job losses causing the unemployment rate to increase," said Ashley Jones, OET labor market analyst.

Five of the 11 major nonfarm North American Industry Classification System (NAICS) job sectors reported an employment increase in September 2011, while six decreased, according to OET. The number of jobs dropped by 2,900 from August 2011 to September 2011 bringing Kentucky's nonfarm employment to a seasonally adjusted total of 1,792,800. Kentucky's nonfarm employment has grown by 23,200 workers since September 2010.

According to the seasonally adjusted employment data provided by the Bureau of Labor Statistics' Current Employment Statistics (CES) program, Kentucky's professional and business services sector jumped by 1,200 positions in September 2011. This area includes professional, scientific and technical services; management of companies; and administrative support and waste management, including temporary help agencies. Since last September, jobs in the sector have mushroomed by 12,000.

The manufacturing sector added 900 jobs in September 2011. Since September 2010, employment in the manufacturing sector has climbed by 5,300 positions.

The educational and health services sector gained 600 workers in September 2011. The sector has ballooned by 5,000 workers since September 2010. This sector includes private and nonprofit

establishments that provide either education and training or health care and social assistance to their clients.

“The year-over-year employment gains are predominantly attributed to health care and social assistance companies. General population growth and a longer life expectancy are the main causes of the continued expansion of health care employment. In addition, institutions of higher learning often see an increase in enrollment during economic downturns as individuals return to school or choose to continue their education,” said Jones.

The financial activities sector increased by 300 jobs in September 2011. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, had 2,100 fewer positions than in September 2010.

The information sector had 100 more jobs in September 2011. This segment, which includes firms involved in publishing, Internet activities, data processing, broadcasting and news syndication, has fallen by 200 positions since September 2010.

The government sector, which includes public education, public administration agencies and state-owned hospitals, had the largest drop with 2,500 fewer jobs in September 2011. The month-to-month job losses are primarily focused in the state government subsector. The sector had 5,600 fewer jobs than in September 2010.

The state’s leisure and hospitality sector decreased by 1,300 jobs in September 2011. Since September 2010, the sector has ballooned by 9,600 positions. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations and food services, and drinking places industries.

“The employment losses in the leisure and hospitality sector in September 2011 are distributed between accommodations and food services businesses, which lost 700 jobs, and arts and entertainment, which lost 600 occupations,” said Jones.

Employment in the other services sector, which includes such establishments as repair and maintenance businesses; personal and laundry services; religious organizations; and civic and professional organizations, fell by 1,000 positions in September 2011. This sector had 100 fewer positions in September 2011 than September 2010.

Construction sector jobs dipped by 700 in September 2011. Since September 2010, employment in the construction sector has dropped by 1,500 jobs.

The trade, transportation and utilities sector fell by 300 jobs in September 2011. This area includes retail and wholesale trade, transportation and warehousing businesses, and utilities. It is the largest sector in Kentucky with 359,400 employees. Since September 2010, the number of jobs in this sector has risen by 300.

Employment in the mining and logging sector went down by 200 in September 2011. The sector has gained 500 jobs since September 2010.

The U.S. Bureau of Labor Statistics’ monthly estimate of the number of employed Kentuckians for September 2011 was 1,892,617 on a seasonally adjusted basis. This figure is down 4,806 from the 1,897,423 employed in August 2011, but up 23,510 from the 1,869,107 employed in September 2010.

The monthly estimate of the number of unemployed Kentuckians for September 2011 was 202,720, up 4,563 from the 198,157 Kentuckians unemployed in August 2011, but down 10,031 from the 212,751 unemployed in September 2010.

The monthly estimate of the number of Kentuckians in the civilian labor force for September 2011 was 2,095,337. This figure is down 243 from the 2,095,580 recorded in August 2011, but up 13,479 from the 2,081,858 recorded in September 2010.

**Civilian labor force statistics include nonmilitary workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.**

**Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.**

Learn more about the Office of Employment and Training at [www.workforce.ky.gov](http://www.workforce.ky.gov).